

REVENUE DEPARTMENT[701]

Adopted and Filed

Pursuant to the authority of Iowa Code section 421.14, the Department of Revenue hereby amends Chapter 80, “Property Tax Credits and Exemptions,” Iowa Administrative Code.

Iowa Code section 476B.6(1)“b”(2) requires the Department of Revenue to centrally assess wind energy conversion property located in a jurisdiction that has not enacted an ordinance to specially value this property under Iowa Code section 427B.26. However, Iowa Code section 476B.6 only applies to property placed in service after July 1, 2005, and before July 1, 2012. The administrative rule corresponding to this Iowa Code provision does not provide the dates required by the Iowa Code for being placed in service. This amendment clarifies rule 701—80.13(427B,476B) to reflect the proper sunset date.

Notice of Intended Action was published in the Iowa Administrative Bulletin as **ARC 3208C** on July 19, 2017. No public comments were received. This amendment is identical to that published under Notice.

Any person who believes that the application of the discretionary provisions of this amendment would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to rule 701—7.28(17A).

The Department adopted this amendment on August 23, 2017.

After analysis and review of this rule making, the Department finds that no negative impact on jobs exists.

This amendment is intended to implement Iowa Code section 476B.6.

This amendment will become effective October 18, 2017.

The following amendment is adopted.

Amend rule 701—80.13(427B,476B) as follows:

701—80.13(427B,476B) Wind energy conversion property.

80.13(1) *Special valuation allowed by ordinance.* A city council or county board of supervisors may provide by ordinance for the special valuation of wind energy conversion property. If the ordinance is repealed, the special valuation applies through the nineteenth assessment year following the first year the property was assessed. Once the ordinance has been repealed and the special valuation is no longer applicable, the property must be valued at market value rather than at 30 percent of net acquisition cost. The special valuation applies to property first assessed on or after the effective date of the ordinance. The local assessor must value the property in accordance with the schedule provided in Iowa Code section 427B.26(2). The property qualifies for special valuation provided the taxpayer files a declaration of intent with the local assessor by February 1 of the assessment year in which the property is first assessed for tax to have the property locally assessed. The property must not be assessed until the assessment year following the year the entire wind plant is completed. A wind plant is completed when it is placed in service.

80.13(2) *Special valuation not allowed by ordinance.* If a city council or county board of supervisors has not passed an ordinance providing for the special valuation of wind energy conversion property, the property that was placed in service after July 1, 2005, and before July 1, 2012, is to be assessed by the department of revenue for a period of 12 years, and the taxes payable on the facilities are to be paid to the department at the same time as regular property taxes. The owner of the facility must file an annual report with the department by May 1 of each year during the 12-year assessment period, and the department must certify the assessed value of the facility by November 1 of each year to the county auditor. The board of supervisors must notify the county treasurer to state on the tax statement that the property taxes are to be paid to the department. The board must also notify the department of those facilities that are required to pay the property taxes to the department. The department must notify the county treasurer of

the date the taxes were paid within five business days of receipt, and the notification is authorization for the county treasurer to mark the record as paid in the county system.

This rule is intended to implement Iowa Code section 427B.26 and chapter 476B ~~as amended by 2009 Iowa Acts, Senate File 456, sections 2 and 4.~~

[Filed 8/23/17, effective 10/18/17]

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EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 9/13/17.